Alberta
Minimum Wage Profile

April 2011 - March 2012

May 2012

Government of Alberta

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Introduction

The *Alberta Minimum Wage Profile* presents current information on minimum wage earners in Alberta and other provinces. Statistics include the percentage of employees[1] earning minimum wage in each province plus the characteristics of Alberta minimum wage earners[2].

The profile is based on minimum wage rates that are effective for two reference periods: April 1, 2010 to March 31, 2011 and April 1, 2011 to March 31, 2012.

Interprovincial Analysis

Over the two reference periods, Alberta's minimum wage rose from $8.80 on April 1, 2010 to $9.40 on September 1, 2011. The percentage of employees earning minimum wage in Alberta increased over the two reference periods from 1.2% to 1.6%. Employment in Alberta rose in the April 1, 2011 to March 31, 2012 reference period, compared to the previous period. For Canada, the proportion decreased 0.5 percentage points between the two periods, from 7.5% to 7.0% as provinces raised their minimum wages. (Figure 1)

Figure 1: Percentage of Employees Earning Minimum Wage

	April 2010 – March 2011	April 2011 – March 2012
Alberta	1.2%	1.6%
Canada	7.5%	7.0%

Between March 31, 2011 and March 31, 2012, eight provinces raised their minimum wage rates. (Figure 2)

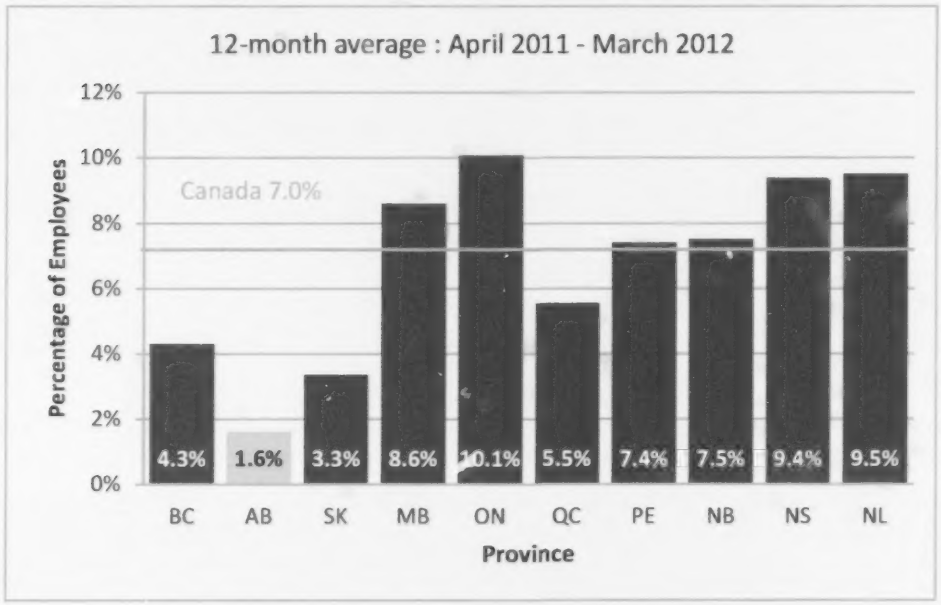
Figure 2: Provinces with Increases in Minimum Wage between March 31, 2011 and March 31, 2012

Province	March 31, 2011	March 31, 2012
Saskatchewan	$9.25	$9.50
New Brunswick	$9.00	$9.50
Alberta	$8.80	$9.40
Nova Scotia	$9.65	$10.00
Prince Edward Island	$9.00	$9.60
Quebec	$9.50	$9.65
British Columbia	$8.00	$9.50
Manitoba	$9.50	$10.00

[1] See definition in Appendix A
[2] See definition in Appendix A

Most of Alberta's employees earned more than minimum wage. Between April 2011 and March 2012, of 1,596,800 employees[3] in Alberta's organizations, 1.6% or 25,950 earned minimum wage. Alberta has the lowest percentage of minimum wage earners among Canadian provinces. (Figure 3)

Figure 3: Percentage of Employees Earning Minimum Wage by Province



[3] The analyses in this profile exclude 347,700 individuals who were self-employed, unpaid family workers or who worked more than 44 hours per week.

Six provinces have scheduled increases to their minimum wage rates in 2012. Figure 4 shows a summary of upcoming minimum wage increases in 2012. (For more information, see Appendix B)

Figure 4: Provinces with Upcoming Minimum Wage Increases

Province	Minimum Hourly Wage Rate as of March 31, 2012	New Minimum Hourly Wage Rate	Effective Date
British Columbia	$9.50	$10.25	May 1, 2012
Prince Edward Island	$9.60	$10.00	April 1, 2012
Nova Scotia	$10.00	$10.15	April 1, 2012
Quebec	$9.65	$9.90	May 1, 2012
New Brunswick	$9.50	$10.00	April 1, 2012
Manitoba	$10.00	$10.25	October 1, 2012

Detailed information about minimum wage rates can also be found at the website: http://srv116.services.gc.ca/dimt-wid/sm-mw/rpt1.aspx?lang=eng

Alberta Analysis

In Alberta, between April 2011 and March 2012, the summary profile of a minimum wage earner was as follows:

- 15-19 years old
- employed part-time
- in permanent employment
- non-union employee
- less than one year job experience
- in Retail Trade industry
- in Sales and service occupations, n.e.c.[4]
- some high school
- female

[4] Not elsewhere classified

At 36.1%, the 15 to 19 year old group remained the largest group of Alberta's minimum wage earners, and the 20 to 24 year old group was the second largest in the April 2011 and March 2012 period. (Figure 5)

The proportion of minimum wage earners increased for the following four age groups in the April 2011 – March 2012 period compared to the April 2010 – March 2011 period: 15 to 19 years old, 40 to 44 years old, 50 to 54 years old, and 55 years and older. There were proportionately fewer minimum wage earners in all other age groups in the current reference period compared to the previous period. (Figure 5)

Figure 5: Proportion of Alberta Minimum Wage Earners by Age (years)

	April 2010 - March 2011	April 2011 - March 2012
15-19	30.9%	36.1%
20-24	17.2%	13.8%
25-29	10.5%	9.7%
30-34	9.9%	6.5%
35-39	8.3%	7.0%
40-44	6.2%	6.4%
45-49	5.6%	3.9%
50-54	5.7%	6.0%
55+	5.7%	10.6%
Total	**100%**	**100%**

In contrast to the previous 12 month period, just over half, or 53.7%, of minimum wage earners worked part-time between April 2011 and March 2012. (Figure 6)

Figure 6: Proportion of Alberta Minimum Wage Earners by Type of Work

	April 2010 - March 2011	April 2011 - March 2012
Full-Time	55.3%	46.3%
Part-Time	44.7%	53.7%
Total	**100%**	**100%**

As in the previous reference period, a larger proportion, or 76.4% of minimum wage earners was in permanent employment. (Figure 7)

Figure 7: Proportion of Alberta Minimum Wage Earners by Job Permanence

	April 2010 - March 2011	April 2011 - March 2012
Permanent	71.5%	76.4%
Temporary*	28.5%	23.6%
Total	**100%**	**100%**

Over 90% of Alberta's minimum wage earners were non-union employees. Compared to the previous period, the proportion of unionized employees earning minimum wage increased by 1.6 percentage points in the April 2011 to March 2012 reference period. (Figure 8, next page)

**includes seasonal, temporary, and casual employees.*

Figure 8: Proportion of Alberta Minimum Wage Earners by Union Status

	April 2010 - March 2011	April 2011 - March 2012
Non-Union Employee	95.1%	93.1%
Union Member	4.6%	6.2%
Covered by Collective Agreement, Not Member	0.4%	0.8%
Total	**100%**	**100%**

Of all minimum wage earners, 48.6% had less than one year of job tenure in the April 2011 – March 2012 reference period. The proportion that had one to five years of job tenure was 31.8%, which was lower than the 42.5% in the previous reference period. Overall, the proportion of minimum wage earners who had job tenure of five years or less decreased from 83.7% in the previous period to 80.4% in the current reference period. (Figure 9)

Figure 9: Proportion of Alberta Minimum Wage Earners by Job Tenure

	April 2010 - March 2011	April 2011 - March 2012
Less than One Year	41.2%	48.6%
One to Five Years	42.5%	31.8%
More than Five Years	16.3%	19.6%
Total	**100%**	**100%**

Between April 2011 and March 2012, more than half, or 52.7%, of Alberta's minimum wage earners were employed in two industries: Retail Trade and Accommodation and Food Services. Another 8.4% of Alberta's minimum wage earners were employed in Other Services[5]. (Figure 10)

Figure 10: Proportion of Alberta Minimum Wage Earners by Industry

	April 2010 - March 2011	April 2011 - March 2012
Retail Trade	16.7%	27.1%
Accommodation and Food Services	21.1%	25.6%
Other Services (except Public Administration)	13.5%	8.4%
Information, Culture and Recreation	7.1%	6.3%
Educational Services	8.0%	6.0%
All Other Industries	33.6%	26.6%
Total	**100%**	**100%**

Between April 2011 and March 2012, more than half of Alberta's minimum wage earners worked in the following three occupational groups: Sales and service occupations n.e.c.[6], 26.1%; Retail salespersons, sales clerks, cashiers, including retail trade supervisors, 21.8%; and Chefs, cooks, and food and beverage service, including supervisors, 12.3%. (Figure 11)

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[5] This sector comprises establishments, not classified to any other sector, primarily engaged in repairing, or performing general or routine maintenance, on motor vehicles, machinery, equipment, and other products to ensure that they work efficiently; providing personal care services, funeral services, laundry services, and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members. Private households are also included.

[6] Not elsewhere classified

Figure 11: Proportion of Alberta Minimum Wage Earners by Occupation

	April 2010 - March 2011	April 2011 - March 2012
Sales and service occupations n.e.c.	26.8%	26.1%
Retail sales persons, sales clerk, cashiers	14.6%	21.8%
Chefs, cooks, food and beverage service	9.5%	12.2%
Clerical occupations	7.5%	8.7%
Financial, secretarial and administrative	7.8%	4.3%
All other occupations	33.8%	26.9%
Total	**100%**	**100%**

Of all Alberta minimum wage earners over the April 2011 to March 2012 period, 31.9% had some high school education and 25.9% were high school graduates. The proportion that did not complete high school was slightly smaller in the current period, at 33.0%, compared to the previous period, at 33.8%. (Figure 12)

Figure 12: Proportion of Alberta Minimum Wage Earners by Highest Educational Attainment

	April 2010 - March 2011	April 2011 - March 2012
0-8 Years (Elementary)	4.1%	1.1%
Some High School	29.7%	31.9%
High School Graduate	22.1%	25.9%
Some Post-Secondary	9.9%	10.9%
Post-Secondary Certificate or Diploma	20.4%	19.5%
University Degree	13.9%	10.7%
Total	**100%**	**100%**

Females made up 55.3% of the minimum wage earners in Alberta in the current reference period, which is lower than the 64.6% in the previous period. The proportion of male minimum wage earners between April 2011 and March 2012 was 44.7%. (Figure 13)

Figure 13: Proportion of Alberta Minimum Wage Earners by Gender

	April 2010 - March 2011	April 2011 - March 2012
Female	64.6%	55.3%
Male	35.4%	44.7%
Total	**100%**	**100%**

Methodology, Definitions and Detailed Interprovincial Minimum Wage Information

For information on the methodology and definitions, see Appendix A. Appendix B gives detailed information on upcoming changes to minimum wage rates in the provinces.

Appendix A

Methodology

The data for this profile are gathered from the Labour Force Survey (LFS) conducted by Statistics Canada. Each month, the Socioeconomic and Statistics Unit of Alberta Enterprise and Advanced Education receives LFS files from Statistics Canada. This includes a microdata file, which contains the complete file of all LFS responses.

The minimum wage analysis is performed on the microdata using the statistical software package SAS. The Canadian territories are excluded from this analysis. Twelve-month averages are used to ensure the results are not affected by seasonality. The microdata files for each of the twelve months examined are combined into one large data set and annual averages are then calculated. For example, in this profile, the results are an average of the April 2011 to March 2012 numbers.

Minimum wage rates often change; therefore the minimum wage profile will differ from one report to the next.

Occupational and industrial classifications were based on the following.

National Occupational Classification for Statistics 2006
http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?lang=eng&catno=12-583-X

North American Industry Classification System – Canada 2007
http://www.statcan.gc.ca/pub/12-501-x/12-501-x2007001-eng.pdf

All data are from Statistics Canada, Labour Force Survey microdata files, with the following exceptions:

Appendix B: Fact Sheet: Minimum Hourly Wage Rates
Source: Alberta Human Services, Workplace Standards; Human Resources and Skills Development Canada; and various Provincial Government official websites

Appendix A (Continued)

Definitions

These definitions are from Statistics Canada, except for "Employees" and the occupational and industrial groups.

Employees
In this analysis, people who were either self-employed or listed as having an hourly wage rate of $0.00 were removed from the overall employment figure to determine the number of employees. Employees working greater than 44 hours were also excluded from the analysis. Please note that the number of employees in organizations is different from the employment figure for Alberta.

Full-Time Employees
People who usually work 30 hours or more per week at their main or only job.

Minimum Wage Earner
People who earned minimum wage or less. Some employees fall outside the scope of the Employment Standards Code's minimum wage provisions and may earn less than minimum wage. See Section 8 of the Employment Standards Regulation and section 2(3)(g) of the Code for more information.

Occupations in Social Science, Government Service and Religion
Occupations in this major group include Recreation, sports and fitness program supervisors and Early childhood educators and assistants.

Other Services (except Public Administration) Industry
Consists of establishments engaged in repairing or performing general maintenance on motor vehicles, machinery, equipment, and other products; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities, supporting various causes through grant-making, advocating (promoting) social and political causes, and promoting and defending the interests of their members. Private households are also included.

Part-Time Employees
People who usually work less than 30 hours per week at their main or only job.

Permanent Job
A permanent job is one that is expected to last as long as the employee wants it, given that business conditions permit. There is no pre-determined termination date.

Sales and Service Occupations n.e.c.
Occupations in this major group are primarily concerned with providing services not elsewhere classified in other Sales and service occupational groups, non-store retail sales not elsewhere classified and providing services related to sales. Examples of occupations in this category include Attendants in recreation and sport as well as supervisors.

Temporary Job
A temporary job has a predetermined end date, or will end as soon as a specified project is completed. Included in temporary jobs are seasonal, temporary, term or contract jobs; also include work done through a temporary help agency; casual jobs; and other temporary work.

Wage
Hourly wage/salary before taxes and other deductions, and include tips and commissions.

Appendix B

FACT SHEET: MINIMUM HOURLY WAGE RATES

Jurisdiction	General Rate for Adult Workers[i]	Effective Date (D/M/Y)	Rate for Young or Inexperienced Workers	Effective Date (D/M/Y)
Federal	Same as the general adult minimum wage rate of the province or territory where the work is performed.	18/12/96	Employees under 17: same as the general adult minimum wage rate of the province or territory where they work.	18/12/96
Alberta	**$8.40** **$8.80** **$9.40**[ii]	01/04/08 01/04/09 01/09/11	Same as adult rate. **$9.05** (for liquor servers)[iii]	 01/09/11
British Columbia	**$8.00** **$8.75** **$9.50** **$10.25**	01/11/01 01/05/11 01/11/11 01/05/12	**$6.00** (for inexperienced employees)[iv] **$8.50** **$8.75** **$9.00** (for liquor servers)	01/05/01 to 01/05/11 01/05/11 01/11/11 01/05/12
Manitoba	**$9.50** **$10.00** **$10.25**	01/10/10 01/10/11 01/10/12	Same as adult rate.	
New Brunswick	**$8.50** **$9.00** **$9.50** **$10.00**	01/04/10 01/09/10 01/04/11 01/04/12	Same as adult rate.	
Newfoundland and Labrador	**$9.00** **$9.50** **$10.00**	01/07/09 01/01/10 01/07/10	Same as adult rate.	
Nova Scotia	**$9.20** **$9.65** **$10.00** **$10.15**	01/04/10 01/10/10 01/10/11 01/04/12	**$8.70** **$9.15** (for inexperienced employees)[v]	01/04/10 01/10/10
Ontario	**$8.75** **$9.50** **$10.25**	31/03/08 31/03/09 31/03/10	**$8.20** **$8.25** **$8.90** (for liquor servers)	31/03/08 31/03/09 31/03/10

Jurisdiction	General Rate for Adult Workers[i]	Effective Date (D/M/Y)	Rate for Young or Inexperienced Workers	Effective Date (D/M/Y)
			$9.60 (for students)[vi]	31/03/10
Prince Edward Island	**$9.00** **$9.30** **$9.60** **$10.00**	01/10/10 01/06/11 01/10/11 01/04/12	Same as adult rate.	
Quebec	**$9.50** **$9.65** **$9.90**	01/05/10 01/05/11 01/05/12	**$8.25** **$8.35** (employees receiving tips)	01/05/10 01/05/11
Saskatchewan	**$8.60** **$9.25** **$9.50**	01/05/08 01/05/09 01/09/11	Same as adult rate.	

Source: Labour Law Analysis
Employment Standards Policy and Legislation
Labour Program, Human Resources and Skills Development Canada
May 5, 2012

Notes:

In many jurisdictions, special minimum, wage rates apply to certain specific occupations (e.g., domestics, salespersons, crop harvesters and employees who usually receive gratuities).

[II]Effective September 1, 2011, a new mechanism for determining future increases to minimum wage will be introduced, which will be a simple average of changes to Alberta's average weekly earnings and changes to the Consumer Price Index in Alberta.

[III]In Alberta, liquor servers are defined as employees who serve alcohol to customers as a regular part of their job in a licensed establishment. This includes bartenders, waiters and waitresses.

[IV]In British Columbia, "inexperienced employees" are those who had no paid employment experience prior to November 15, 2001 and who have since accumulated less than 500 hours of paid employment experience with one or more employers.

[V]In Nova Scotia, the term refers to those who have not been employed for more than three months by any employer to do the work for which they are presently employed.

[VI]These rates apply to students under 18 who are employed up to 28 hours in a week, or during a school holiday.

[VII]Effective April 1, 2007, and on April 1 of each subsequent year, this rate will increase by an amount corresponding to the annual increase for the preceding year in the Consumer Price Index (CPI) for the city of Whitehorse. To date, Yukon is the only jurisdiction to tie annual minimum wage increases to the CPI.

APPENDIX C

The following minimum wage comparison table factors in taxes (as of March 31, 2012) and then ranks the provinces with the highest to the lowest after tax wage rate. Please note that this table and the graph below it were based on the minimum wages as of March 31, 2012.

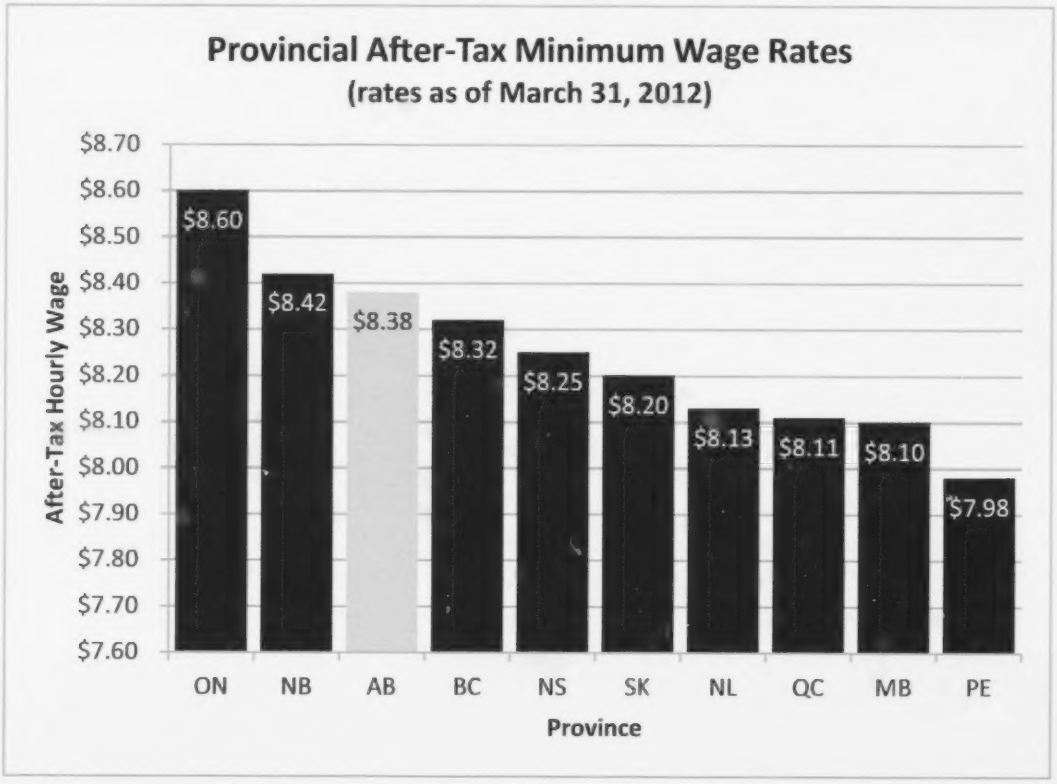
Minimum Wage Comparisons
2012

* For Single Income Earners

	AB	BC	SK	MB	ON	QC	NB	NS	PE	NL
Minimum Wage Rate	$ 9.40	$ 9.50	$ 9.50	$ 10.00	$ 10.25	$ 9.65	$ 10.00	$ 10.15	$ 10.00	$ 10.00
Salary (2000 hrs)	$ 18,800	$ 19,000	$ 19,000	$ 20,000	$ 20,500	$ 19,300	$ 20,000	$ 20,300	$ 20,000	$ 20,000
Federal Tax	**$ 1,997**	**$ 2,023**	**$ 2,041**	**$ 2,244**	**$ 2,377**	**$ 2,154**	**$ 2,265**	**$ 2,322**	**$ 2,244**	**$ 2,252**
Personal Income Tax	$867	$869	$895	$1,035	$1,105	$930	$1,035	$1,077	$1,035	$1,035
CPP/EI/QPP	$1,101	$1,115	$1,115	$1,183	$1,217	$1,186	$1,183	$1,203	$1,183	$1,183
GST	$28	$39	$31	$26	$56	$39	$47	$42	$26	$35
Provincial Tax	**$ 42**	**$ 340**	**$ 551**	**$ 1,561**	**$ 930**	**$ 917**	**$ 901**	**$ 1,481**	**$ 1,795**	**$ 1,492**
Personal Income Tax	$42	$0	$95	$1,071	$499	$322	$203	$656	$1,089	$730
Sales Tax	$0	$340	$457	$490	$401	$396	$698	$825	$707	$762
Health Care Premium	$0	$0	$0	$0	$30	$200	$0	$0	$0	$0
Summary										
Before Tax Ranking	10	8	8	3	1	7	3	2	3	3
Total Tax	$ 2,038	$ 2,362	$ 2,592	$ 3,805	$ 3,307	$ 3,071	$ 3,166	$ 3,803	$ 4,039	$ 3,744
After Tax Salary	$ 16,762	$ 16,638	$ 16,408	$ 16,195	$ 17,193	$ 16,229	$ 16,834	$ 16,497	$ 15,961	$ 16,256
After Tax Wage Rate	$ 8.38	$ 8.32	$ 8.20	$ 8.10	$ 8.60	$ 8.11	$ 8.42	$ 8.25	$ 7.98	$ 8.13
After Tax Ranking	3	4	6	9	1	8	2	5	10	7

Based on the best information available as of: March 26, 2012 for the: 2012 provincial tax systems. Minimum wage rates as of: April 1, 2012

NOTE: This comparison assumes that all income is from employment and only personal, CPP, and EI credits are claimed. No shifting assumptions are made.



Alberta had the fourth highest provincial after-tax minimum wage rate, as of March 2012. In April 2008, Alberta had the highest after-tax minimum wage rate of the ten provinces.

Before tax, Ontario tied with Quebec to have the highest minimum wage rate in the country, as of March 2012. Newfoundland had the next highest before tax minimum wage rate.

Source: Alberta Finance and Enterprise
March 2012